

# **NEWSPAPER SHIFT**

RENEE OLDE MONNIKHOF

Graduation Thesis for the Media Design: Networked media department

Piet Zwart Institute June, 2011

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## **Introduction**

The newspaper industry finds itself now in the middle of a transition from one era to the next, from print to digital. Newspapers need to be re-invented and re-purposed to fit a new medium and this can only be done by going through a lot of experimentations. No one knows what will take the place of newspapers in the future, but now is the time for experiments, lots of experiments and only afterwards can we find out what will, and what will not work.

Newspapers have been changing for decades, in form, size and content because the needs and habits and the manner in which readers structure their day-to-day activities is so different. It would be absurd to think that the classical newspaper design would be sufficient. In the past people had the time and the patience to read a large newspaper every day. The papers would have long descriptive stories each containing extensive analysis. Newspapers then, were seen as a vital medium of obtaining information about what was happening in the world. Today we are so bombarded with information, from the TV, radio, flat-screens at the station, Internet (Blogs, Twitter, free news-sites) etc. that a newspaper has simply become just another medium amongst many (Massing, 2009). To compete in this market for people's attention newspapers must change their design as well as their content in a way that stands out and offer something unique. As Abraham Zaleznik states "Design is directed toward human beings. To design is to solve human problems by identifying them and executing the best solution". It has become painfully obvious that the old newspaper model is broken. The question is what will take its place? Clay Shirky writes, the answer is "nothing will work, but everything might. Now is the time for experiments, lots and lots of experiments". Newspapers do not need a digital facelift, instead they need to be re-invented and repurposed to fit a new scene. In this essay I will discuss why the old model is broken, discuss why it is so difficult to make a clean transition from analog to digital, and I will show existing experiments that work and others that do not work and I will conclude my essay with what is and is not important to keep in mind when transitioning.

## **Why printed newspapers are plummeting**

"According to the blog paper cuts, newspapers lost 15,974 jobs and another 10,000 in the first half of 2009. About 26,000 reporters, photographers, editors, and columnists lost their jobs. Thereby downsizing the amount of professionals whose tasks are to cover the world, analyze political and economic affairs, root out corruption and abuse, and write about culture entertainment, and sport" (Massing, 2009). The main reason for this huge decline is primarily to be blamed on the lack of advertisements and the massive amount of free content available on the Internet. Web 2.0 has given the advertisers the ability to reach a much larger and targeted audience than newspapers have ever done before. With this attractive deal in mind most advertisers are spending their money on online media instead (Keen, 2007). According to Bill Keller (2009), executive editor of the New York Times, "quality journalism involves experienced reporters going places, bearing witness, digging into records, developing sources, checking and double-checking, backed by editors who try to enforce high standards." The supply of such journalism is very expensive, and with the decline of ad revenues newspapers are struggling to deliver the quality information that they are known for and new business models must be made to survive. (Massing, 2009).

## **Idea's and plans for different scenarios**

It may seem as if the Internet took the newspaper industry by surprise. This however is untrue. They not only saw it coming, but from early on they already thought of several plans and ideas that would help them deal with it (Shirky, 2009). Examples of such ideas where amongst others, new payment models such as micro-payments, educating the public about the behaviors required of them by copyright law, convince tech firms to make their hardware and software less capable of sharing , and so on (Shirky,2009). For almost every possible scenario there was a plan, except one which was a scenario in which sharing content would become more accessible and uncomplicated, pay-walls would not work, digital advertising would find better ways to spread their information then in newspapers. Micro-payments would prove unpopular. People would not listen to those trying to keep them away from what they desire. Old habits of advertisers and readers would not work online. Even intense lawsuits would not work in keeping the masses from breaking the law, and hardware and software companies would not consider copyright holders as partners, nor would they regard customers as enemies (Shirky, 2009). This scenario was considered unthinkable, and yet this is exactly the scenario in which we find ourselves today, and even now many people within the industry refuse to accept it, thereby making it close to impossible for others to create new ideas and plans within this unthinkable scenario (Shirky, 2009). Most of the plans that where thought out during the 90's all evolved around one core idea, which was giving the old analogue newspaper a digital facelift. The old organizational form of a newspaper had to simply be translated onto the web (Shirky, 2009). The big problem with this is that people forget that a newspaper is just an object containing information that is organized in such a way that it best suits its form. The Internet is also just an object but it has a completely different form thereby making it necessary to rethink how information is organized.

## **Transitioning from one era to the next**

We find ourselves now transitioning from one era to the next, from print to digital. This transition can be compared to a transition made before, which was the spread of print (Shirky, 2009). Eisenstein wrote a book that was focused around the question, “How did we get from the world before the printing press to a world after? What was the revolution itself like?” The answer is, it was completely hectic (Shirky, 2009). Erotic novels appeared and many thought that it was the work of the devil, this was the same for the Bible after it was translated into local languages. Many copies where made of the works of Aristotle and Galen however these copies where not completely equivalent to the original (Shirky, 2009). The entire transitional period was chaotic and many people did not trust what was coming. After a lot of experimentation new forms where invented that better suited the lives of their users and people started to appreciate the spread of the print more and more (Shirky, 2009). One example of a successful experimentation was that of the Venetian printer and publisher Aldus Manutius who invented the smaller octavo volume as well as the italic type, what he did was simply take a book and shrink it (Shirky, 2009). Such a small change created an immense impact on society. Books became more portable and easy to carry around, thereby making them more popular then ever before. As popularity grew even further the market started to expand for publishers and becoming a writer became more and more desirable. Also literacy grew and people became more educated (Shirky, 2009). History repeats itself, and this can be seen in these transitional periods. It is impossible to make a clean transition from one era to the next, there is always a point in the middle where experimentation has to be done and experimentations can only be done if we accept the fact that the old forms are dying and something completely new needs to take its place.

## **Trouble accepting that the old form is dying**

### **Blogs**

Accepting the fact that the old forms are dying seems to be very difficult for the newspaper industry to handle and many newspapers are still, even now, experimenting within the old forms to create something new that would fit within the lifestyles of the new readers. It is obvious that completely ignoring the Internet would be a mistake because it is so intertwined within the lifestyles of the new readers, so what many newspapers are doing is they are looking at what is popular online and what is popular amongst the younger readers and are then trying to take those elements and translating them back into print. One example of such an element is for instance the blog culture.

### **The “i” tabloid**

Blogs have become one of the most popular forms of self-expression on Internet and have also become one of the newspaper-journalists greatest competition. Every time something happens in the world a huge flood of blogs are created and often outdo the mainstream media in timelessness, geographic reach, insider-information and obsessive detail. (Boxer, 2008). Today there are about 100 million blogs on Internet with about 15 million of them fully functioning, and can be found in any topic, for example political, confessional, gossip, sex, money, science etc (Boxer, 2008). Blogs are often written in a casual, easy to read, fashion, and are often short snip-bits of information that link to more information. Examples of newspapers that have adopted this type of writing style are tabloid newspapers. In 2010 the Independent launched a new tabloid version of their newspaper titled the “i” designed to attract younger readers (Guardian, 2010). This new tabloid is a smaller and faster to read version of the main paper, and was designed to attract younger readers who might have swapped newspapers for the web (Guardian, 2010).

### **Metro International**

Another example of such a tabloid newspaper is the international Metro newspaper. As classical newspapers are becoming less popular and losing their ad revenues, the Metro paper seems to be having an opposite effect. Metro was first launched in 1995 in Stockholm and in 2009 it was awarded by festival of media awards as newspaper of the year (Metro, 2010). The Metro in a short time has become the worlds largest newspaper catering to over 17 million readers each day. The Metro has over 56 editions in 18 countries and is published in 15 countries around the world (Metro, 2010). The reason why it has become so appealing to its readers besides the fact that it is free, is that Metro has been able to figure out where people have time to read, how much time they have to read and what they want to read (Metro, 2010). They are handed out in the morning on the streets, buses and trains to those who commute to work and school. Their audiences according to them “are young, well networked trend-setters, cash-rich but time-poor, with healthy media appetites and perpetually shifting tastes” (Metro, 2010). Metro with its simple design has in a short time become a very popular newspaper and for many the only newspaper read in the morning on their way to work or school. Metro, being a free newspaper, is completely reliant on advertisements, and unlike other more classical newspapers ad revenues have not declined with the metro newspapers because advertisers still see this newspaper as a great way to target their audiences. Besides many advantages, there are more disadvantages to the metro newspaper. The biggest disadvantage is that people seem to be settling for less because it is free and easy to grab. The newspaper is designed to be read in twenty minutes, thereby making it impossible for the metro to contain the same quality content as a regular newspaper does (Wijers, 2009). Also because the newspaper is

completely free it does not have the ability to write long articles, because they cost a lot of time to create and therefore a lot of money, background journalism is nearly impossible to realize without fixed subscribers, and above all there is a lot of work required to keep track of pure factual news, thereby making a team necessary (Wijers, 2009). With Metro keeping writing costs to its minimum their editorial team is very small and they rely a lot on news agencies for content. The Dutch Metro copies a lot of their news from ANP and the English and Scottish versions of the Metro copies most of their news straight from the Press Association newswire (Wijers, 2009).

Both the Metro and the “i” tabloid contain many 'bloglike' aspects. Both work with short quick texts written in a very casual manner. The metro however, being a free newspaper goes even further in comparison with blogs because it, similarly to many blogs, also feeds off of other news sources for their content. This comparison shows that newspapers are trying not only to make newspapers undergo a digital facelift but also that they are trying to pick out aspects that work well on the Internet and translate them almost directly to print. This is almost impossible to do because in the same way that it is impossible for newspapers to literally translate online, it is impossible for digital content and design to be translated into print. The main reason why short sharp casual texts work well on the Internet is because these blogs are created to allow the reader to link to other sites and sources for more information. Newspapers are not able to link to other sources, thereby limiting the news to only that what you read then and there. One positive aspect that does work well both on and offline is the fact that it is free making it more accessible and attractive to read.

### **NRC Next**

Another example of a tabloid newspaper that is not free but does work with elements found on the Internet is the NRC Next which is a tabloid version of the Dutch newspaper NRC Handelsblad. Hans Nijenhuis chief editor of NRC Next explains that in the past a man around the age of 30 would come home from work around 6pm, his wife would give him a beer and his regular newspaper (De Vries, 2009). Quarter past six he would sit down for dinner, which his wife had prepared for him. At 7pm he would bring his kids to bed and at eight-thirty he was able to finish reading his newspaper. Today this is very different, according to Nijenhuis, a man around the age of thirty today, would pick up his children from the crèche around five-thirty, then go home to cook dinner because his wife has an evenly important job as he does. After he has brought his children to bed and has watched the eight-thirty news, he finally has time to pick up his newspaper (De Vries, 2009). An example that Nijenhuis gives to explain why this difference is important is; imagine a research journalist of the NRC Handelsblad has found important information concerning important facts. At four the newspaper is on the shelves, at four-thirty it is being discussed on the radio and at five they stop informing their audiences on the radio that the news fact came from the NRC Handelsblad, and that is exactly the time that most young people today turn on their car radios. At six-thirty the radio as well as the TV often show the reaction of the members of parliament and the minister and everything is repeated at eight. So when the modern day man or women pick up their newspaper at eight-thirty to read the original piece of text they wonder why it is missing the reaction that the members of parliament and the minister gave (De Vries, 2009). The NRC Next tries to be ahead of the crowd and find out what the reader will find out before he reads the newspaper and in this way the newspaper becomes an extension of all the other news media that the reader experiences throughout the day (De Vries, 2009). The NRC Next also believes that design as well as content is important to stay attractive to their audiences, that is why they use

bright colors, unique images and catchy headlines, but maybe most importantly they try to use new techniques that the new generation feels comfortable with, for example when they were explaining the financial crises, instead of placing a long extended text and explaining in detail what is happening, they let Aat Brand a reporter of the NRC Next have a conversation via MSN with the economy editor and literally placing that conversation into the paper (De Vries, 2009). In this manner they believe that the 'new reader' feels more connected to the news because they can relate to it more easily.

The NRC Next knows that their audiences have changed, and they know they have to change with them to keep themselves attractive enough for their new readers. their tabloid version of their paper is simply just one step away from becoming fully digital. Their MSN conversation might have been a huge hit in the tabloid paper, but imagine how popular it would be if you could actually follow the conversation live online and maybe even participate! At this moment in time newspapers might find it necessary to take elements out of the Internet that the young readers are interested in and merging them into an old medium so that they can reconnect with an old form. However, instead of trying to attract young readers back into the old medium, the newspaper industry should put their energy towards attracting readers online. Tabloid newspapers can be seen as just another experiment, successful in showing that something needs to change. This does not mean we will become "paperless". Paul Saffo, a forecaster and essayist on exploring long-term technological change and its practical impact on business and society, points out that we are becoming "paperless" the way we once became "horseless" (Saffo, 2008). Today there are nearly as many horses in the United States as there were in 1900, but they no longer serve as the dominant engines of transportation. Old media forms never die out entirely; they get repurposed. The role of paper has changed over the past twenty years from being a storage medium to an interface medium, used for review (Saffo, 2008). "People used to store things on paper and put them in file cabinets or on shelves, but electronics now provide the place for safekeeping. A Bible in the hands of the most devout Christian still spends more time on the shelf gathering dust than actually being read" (Saffo, 2008). With the invention of the printer in the late 1980's, we started using paper as medium, printing on demand, enjoying the high resolution and contrast ratio to read the content, and then throwing it away (Saffo, 2008). Paper is here to stay but not in the same way anymore, instead it will be re-purposed.





## Experimenting online (Paywalls)

### The Huffington Post

The Internet in a short time has become a dominant source for obtaining information. All major newspapers today have an Internet version, but many, as explained before, have simply just undergone a digital facelift. Information is organized within a newspaper in such way that best suits its form, it is impossible to think that this way of organizing information would also fit into a completely new form. Instead the newspaper industry most start to re-think what news is and what newspapers have done for their audience in the last decades. Besides many failed digital facelifts there have also been experiments done that go beyond that, one of these experiments is The Huffington Post.

The Huffington Post was founded by Arianna Huffington, Kenneth Lerer and Jonah Peretti and is an American news website and content aggregating blog (Angelova, 2010). The Huffington Post is different than an ordinary news paper because it works with a huge amount of free bloggers, plus it allows you to participate in discussions. It was launched on May 9<sup>th</sup> 2005, and on February 11<sup>th</sup> 2011 AOL acquired the Huffington Post for \$315 million making Arianna Huffington editor-in-chief (Angelova, 2010). In an interview with Business Insider, Ariana Huffington explains that from the beginning their DNA was about three things; real news, constantly refreshed, 24/7 with their own voice and attitude. At the beginning they started of with 500 bloggers. Today they have grown to 6000, plus hundreds submissions that come in each day that their editors evaluate (Angelova, 2010). Besides having a huge collection of blogs they also have original reporting and use a lot of citizen journalism (Angelova, 2010). Another big part of their core identity is community, from day one you where able to comment on any news item you desired, but everything that got added also got pre-moderated. The main reason why they chose to pre-moderate was because they wanted to control the type of debate that was happening on the side (Angelova, 2010). Pre-moderating however was of course a huge commitment for them at the beginning because they did not have a lot of resources . It meant hiring human moderators 24/7 because the technology has not evolved yet to the point where you can count on it to capture all the negative comments. Today however that has changed a lot, there are almost 3 million comments a month now and they have been able to engage their community in being part of the moderating system (Angelova, 2010). Last month the Huffington post attracted 24.3 million unique visitors, this is five times as much as any other new-media rivals, more than USA Today, The Washington Post and almost as much as The New York Times (Lyons,2010).

It may seem as if the Huffington Post is a huge success and may be the answer to the future of the newspapers, however, last year its revenues where only \$30-million, which is very little when compared to old-media newspapers, but a lot better than any other digital competitor (Lyons,2010). Huffington Post has in a short time become a very popular news site on the web, covering business, entertainment sport and politics. Its mission according to them is to “provide a platform for a really important national conversation” (Lyons,2010). Financially it is however having a rough time similarly to any other newspaper, whether on or off line. Even though The Huffington Post has a huge audience it is very hard for them to monetize how big it really is. At this moment it only generates \$1 per reader per year (Lyons,2010). This is extremely little when compared to the old-media which include Cable-TV networks and print newspapers. The main difference is that the old-media has subscribers that pay them hundreds of dollars per year each, as well as ad revenues that generate hundreds of millions on top of that (Lyons,2010). Websites do of-course cost less to maintain so comparing the two might not be perfect, but it does give an

idea of how big the changes and differences are. It is painfully obvious that advertisers want to put messages onto the web, they, however, do not want to have to pay very much money for that privilege (Lyons,2010). It is very important for The Huffington Post's survival to acquire information at a very low cost, at this moment in time it only has eighty-eight editorial employees, this is an extremely small amount when compared to big newspapers who most likely have several times that many (Lyons,2010). In the past online jobs did not pay as well as off line jobs this however has also changed radically thereby making the difference for online staffers comparable: \$35,000 to \$40,000 (Lyons,2010). With their 6000 unpaid bloggers who often create their own content as well as getting free content and aggregating articles from other sites The Huffington Post tries to hold down the costs. The Huffington post might not be the answer just yet to where the newspapers will end up but they are experimenting even now tremendously to find out what they need to change to survive financially and at the same time remain popular (Lyons,2010). One way The Huffington Post is experimenting is that they embrace new technologies. It uses, like many other websites, a group of programs that control how articles are published, it is called a "content-management system". The the Huffington Post has one of the most developed and advanced systems on the Internet and it is still evolving as we speak (Lyons,2010).

## **Rupert Murdoch**

Even though the Huffington Post does a bit of its own reporting, nearly 40 percent of what it runs is stuff that originated somewhere else (Lyons,2010). One person that is completely against sharing information and using information for free is Rupert Murdoch. Rupert Murdoch is the worlds most powerful media owner and is the chairman of the chief executive news corporation (Speers, 2009). At the age of 22 he inherited his first newspaper, from there he went on to build a global empire. Newscorp now dominates the media landscape in the United States, Britain and Australia and is also a major player online (Speed, 2009). In 2009 Rupert Murdoch decided to start hiding his sites from Google and start charging for online content. In an interview with sky news Australia Rupert Murdoch explains why Internet users who have enjoyed free content for years should suddenly have to pay for it. He says, they should not have gotten it for free in the first place. People are willing to pay for printed newspapers all the time, why should they stop paying for it just because it has a new form (Speers, 2009). The argument that Google gave towards Rupert Murdoch decision was that they are directing traffic their way, people who would never think of going to one of there sites would now stumble upon them via Google. Rupert Murdoch's reaction to this argument was; "What is the point of someone coming occasionally who likes a headline they see in Google?" (Speers, 2009) but More visitors, even occasional ones, attracts more advertisements, but according to Murdoch "The fact is their is not enough of advertising in the world to go around to make all the websites profitable. We rather have fewer people coming to our websites but paying."(Speers, 2009) The question then arrises is it not their job to keep the visitors attracted to their website once google has directed them towards it? Murdoch explains, that of course it is our job to make our sites interesting to our visitors, the difference is, however, that people who stumble upon our sites via, for instance Google, are just, what we call "search people" (Speers, 2009). They are people who simply search for a topic in a search engine, they then find 50 or so search references and then choose a headline that is most interesting to them. If they choose one of our headlines then of course they get our story and are directed to our site, but they do not stop to look at where they have been directed too, and they do not suddenly become loyal readers (Speers, 2009). Murdoch explains that the price that they will be charging for online content will be a lot less than

the costs of an original newspaper. The main reason is because the production costs are a lot less, they do not have to pay for paper, for the press, as well as the transportation (Speers, 2009).

In 2010 The Times and the Sunday Times were placed behind pay walls (Naughton, 2010). The price to access the sites core content is £1 for a day pass, or £2 for a week, however there is also a special introductory offer giving the visitors 30 days for just £1 (Naughton, 2010). The first thing one needs to do when entering the website is to register, thereby giving Rupert Murdoch some personal information which include your date of birth and your credit-card information. After payment the walls open and let you through. As soon as you enter a video is shown in which various Times employees explain how exciting, refreshing and renewing this digital website is. However, after looking around for a while it is hard to find anything truly renewing or different to it than any other newspaper site (Naughton, 2010). The question then arises; why pay for this one? Many people especially the blogosphere, and of course the Huffington Post, that relies a lot on free content to survive, consider Rupert Murdoch's actions insane. And according to Arianna Huffington "Walled gardens, don't work the linked economy is here to stay" (Massing, 2009). It is not that people are not willing to pay for content, some people are even willing to pay a handsome amount for specialist content, the question is are people willing to pay for general content that can almost be found everywhere on the web? The media also agree with the blogosphere but are keeping quite, and secretly hoping he does succeed (Naughton, 2010). In the beginning Rupert Murdoch was very skeptical and dismissive about the Internet, it was only when he noticed it was having a huge impact on society that he drastically changed his mind and at that point he decided to buy MySpace for \$580m which at that moment in time was just as successful as Facebook is today (Naughton, 2010).

The biggest mistake that was made at the start of the Internet was that newspapers offered all their information for free just because of the fear of falling behind (Naughton, 2010). If this mistake was not made it would seem more than logical that you would have to pay for quality news. However offering something for free and then having to pay for the same thing afterwards seems very twisted. Their entire business model from the start was doomed to fail. They believed if we build they will come, and when they come there most likely will be a way to monetize how many have come (Naughton, 2010). Today generations of Internet users have come to believe that online news comes for free, and as a result to this the newspaper industry has no idea whether or not people are prepared to pay for online news, and if so what a realistic price for them would be. The great thing about Murdoch's experiment is that these question will finally be answered. It is clear that Murdoch and his team do have a slight idea of what costs would be fair for online news, and considering they do not use paper, printing presses and trucks to transport the paper the cost for online news is substantially lower than original newspapers, and the only thing that remains to be paid for are editorial costs (Naughton, 2010). It is impossible to make a profit on a printed newspaper with only £40m of ad revenues a year, but it is certainly possible to make a profit on purely online news with the same amount of revenues, because it does not cost as much money to produce. It is obvious that this experiment that Murdoch is performing is a true gamble, no one, not even he knows whether or not it will succeed (Naughton, 2010). However, certain safe prediction can be made, such as the prediction that the numbers of visitors visiting the Time and the Sunday Times will most likely fall. This prediction is based on the research done by Firm Hitwise who asked people to merely sign up without paying for the Site (Naughton, 2010). The results were that almost half of their usual visitors stopped coming to the site. Also it is safe to predict that

the amount of new visitors will also decline because of the fact that they have blocked themselves from search engines. Murdoch has excepted these negative predictions and is willing to make the bet whether or not it is possible to generate enough revenue to sustain a newspaper company (Naughton, 2010).

## **TimesSelect**

The New York Times was the first newspaper that experimented with pay-walls. In September 2005 TimesSelect introduced by the New York Times decided to place its papers columnists behind a pay-wall, thereby charging its visitors \$49.95 a year and \$7.95 for a month of entry. Two years later The New York Times decided to get rid of this pay-wall because of the extreme amount of visitor fall backs (Massing, 2009). At the start, in 2005, the number of subscribers did, however, seem very pleasing, the chief of the New York Times' digital operations was "delighted with the enthusiastic response" to the company's subscription package (Benton, 2011). According to Martin Nisenholtz, a senior vice president, 270,000 subscribers signed up in the first two months that the pay-wall had been active (Benton, 2011). One should, however, keep in mind that half the number represents home-delivery customers who get the package included with their print subscriptions. That means that 135,000 were digital-only paying subscribers. In January 2006, according to Editor & Publisher, the number of paying subscribers to TimesSelect was 156,000, in September 2006 it was 198,690, in April 2007, 220,090 were subscribed and in June of 2007, there were 224,580 subscribers (Benton, 2011). It is clear that there was indeed a initial rush at the start, however, this rush was followed by very slow growth, and with the loss of advertising revenues the Times executives eventually decided to take down the wall and make TimeSelect free for all once again (Benton, 2011).

## **The New York Times**

On March 28<sup>th</sup> 2011 The New York Times has once again decided to erect pay-walls. The site allows its visitors to view twenty articles every four weeks for free, and as soon as you go over the twenty articles the site asks you to pay (money.cnn.com). In this way The New York Times is trying to generate subscription revenue from loyal readers willing to pay while at the same time attract more casual customers who boost advertising revenue with every click they make. The price that visitors need to pay for unlimited access to the site online and to smartphone content is \$15 for every four weeks and to access the iPad tablet app visitors need to pay \$20 (money.cnn.com). Print subscribers do not have to pay extra for digital content. On April 21<sup>st</sup> 2011 The New York Times Co. announced that paid digital subscribers have surpassed 100,000. This number seems very optimistic when looking at the ultimate goal of having 300,000 subscribers for the first year (money.cnn.com). One should keep in mind that these 100,000 subscribers are paying a discounted introductory price of 99 cents a week instead of \$3.75 a week at this moment (Benton, 2011). So the question then arises how many of these 100,000 subscribers will remain subscribed after the offer falls? At this moment no one can answer this question, but let's say they do stick around afterwards, and that there will be a 80/20 split between the most cheapest pricing package and the most expensive ones. Then The New York Times will be able to generate nearly \$25 million a year in new revenue (Benton, 2011). This does not mean it will make a new profit of \$25 million because the pay-wall also costs money to run and market, but it will still make a profit. A very small profit to say the least when comparing it to the \$566.5 million in revenue it made in the last quarter, but it is still better than a declining revenue and if the 100,000 subscribers continue to grow this will be even better (Benton, 2011). This experiment is exactly like the last experiment The New York Times did with TimesSelect, a simple bet, or what manager editor Jill Abramson calls "a bet on the future"

(Chernoff, 2011). These 100,000 paying subscribers might seem to be a very positive start, but looking back at the past TimesSelect also had a very optimistic start and was followed by an extremely slow growth. Comparing TimesSelect's pay-wall to the new pay-wall is not completely perfect, for instance, TimesSelect only put a small portion of the Times' content behind a pay-wall while the new one affects nearly all its content only when its user reads over a certain amount of articles, and TimesSelect was a lot cheaper than the new pay-wall is (Benton, 2011). The only way to see whether this pay wall will work and will not end up the same way as TimesSelect pay-wall did is to wait and see what will happen.

## **The Daily**

On the 2<sup>nd</sup> of February 2011 Rupert Murdoch presented to the world yet another experiment that needs to be done to figure out what the answer is to to where newspapers will end up. It is called The Daily and is the worlds first digital newspaper exclusively built for the ipad. In his speech that Rupert Murdoch gave during the launch of his new newspaper he said (Myers, 2011);

“New times demand new journalism... and a new service edited and designed specifically for new devices. Our challenge is to take the best of traditional journalism...and combine it with the best of contemporary technology. 360 degree photographs, graphics that respond to the touch are unthinkable in either print or television. The iPad demands that we completely re-imagine our craft. There's a growing segment of the population that is educated and sophisticated that does not read national print or newspapers...and they expect content tailored to their specific interests...What we are losing today are the opportunities for true news discovery. The magic of newspapers lies in their serendipity and surprise and the deft touch of a good editor....Our aim is to inform people, to make them think and make them smile and help them engage in the great issues of the day. We can and we must make the business of news gathering viable again (Rupert Murdoch, 2011).”

According to Murdoch this new newspaper will feature; over 100 pages of original news, life, entertainment, opinion and sports, it will come out every single day of the year, it will have original video content, some articles will even have the ability to be read aloud, it will have 360 degree photos that can be explored by merely moving you finger across the screen, it will also have interactive charts and info-graphics (Myers, 2011). The visitors will have the ability to save articles so that they can be read later, they can leave texts comments on any article they desire as well as leave voice comments, it will also include local weather, your favorite sports teams' scores, news, and feeds, and even crossword and Sudoku puzzles (Myers, 2011). The cost of accessing The Daily is 14 cents per day, 99 cents a week, \$40 per year and can be bought only at the Apple iTunes store, and the first two weeks will be free (Myers, 2011). The Daily costed \$30 million to create and will eventually cost \$500,000 to run weekly. At first Murdoch's team will rely for the most part on subscription revenue, and are eventually aiming at a 50/50 revenue split with ads later in the year (Myers, 2011).

Rethinking news and redesigning it to fit a new medium such as the ipad is a great idea, and if done correctly it might have great potential. This however is not what Rupert Murdoch is doing. He might be adding a lot of extra interactive aspects to The Daily, but it still remains yet another digital facelift. The first mistake that they have made is to name it “The Daily”. The Internet has given the newspaper industry the ability to publish and refresh news throughout the day constantly. The name The Daily suggests that this

newspaper only comes out once a day and according to the New York Times writer David Carr this is exactly what the staff will be doing. It will mostly publish news once a day similarly to a printed newspaper. Another mistake that Rupert Murdoch and his team have made with The Daily is that, because they are a for-pay service only, they have completely stepped away from the Internet. Besides the fact that it will have a website that will show visitors some content of what The Daily offers (simply just to trigger them to go to the actual application) there will be no links to its content from outside the News Corp. at all (Ingram, 2010). The Daily subscribers do have the ability to share links to articles on Facebook and Twitter, but without an account you cannot read the articles (Peabody, 2011). Also there are no embedded hyperlinks in articles that would bring the user out of the application or to another website, and no articles of The Daily can be found on search engines. Murdoch has created a wall around its news, controlling everything that is happening around it. It is similar to a printed newspaper, you get its content but nothing more (Ingram, 2010). The Internet has become a platform on which people have gotten the ability to share, comment, react, interact etc, and the reason why the Internet has formed in such a way is because the new generation feels the need to do so. Rupert Murdoch has ignored this issue and has yet again created a newspaper that is completely anti-social and goes against nearly everything that the Internet today stands for (Peabody, 2011). It is hard to truly know whether or not The Daily has been successful so far because Rupert Murdoch and his team refuse to release subscriber numbers, until they have done so we can only guess as to whether or not it has been successful.



*The Huffington Post*



*The New York Times*



*The Dially (Rupert Murdoch)*

## Conclusion

Besides all these experiments there are many others, for example ProPublica. A non-profit newsroom that produces investigative journalism in the public interest. It either sells articles to news organizations or gives them away for free. Other experiments are for instance Newsfarm, a news search engine and aggregator using the RSS format. We find ourselves now right in the middle of a transition from print to digital and like all transitions there is a time in the middle where experimentation is crucial in figuring out what the best solutions are. Experimentations can only succeed if one can accept the fact that not everything will work out. In Dutch we have a nice saying which is; we can only learn by falling down and getting right back up. To know what will work you first have to know what does not. The newspaper industry needs to accept the fact that the old form is dying and they need to start focusing their attention more on how new forms, such as websites or even the ipad can be used to their fullest potential to spread quality news. When tabloid newspapers appeared it created a big statement that times were changing. The newspaper industry new that their audiences were massively migrating to the web and they decided to take elements from the new medium (such as blogs the blog culture) and place them back into the old medium in an attempt to regain popularity. Others such as Arianna Huffington figured out that it would be better to re-think what news is and how it best works in a society such in the one we find ourselves today, thereby creating the Huffington post and having a sharing community as its core identity. Rupert Murdoch however goes completely against sharing and has tried with all its might to keep others from using his content somewhere else, thereby blocking Google and creating pay-walls around all his newspapers in the hope of gaining enough subscribers who are willing to pay for quality un-shared news. What the answer is to where the news is going and what will take its place can still not be answered. However it is very important that the newspaper industry starts to focus their attention more on bringing news to the world in the best way it possibly can rather than putting their energy towards preserving the current institutions. We do not know who the Aldus Manutius of this age is, it could be Arriana Huffington, Craig Newmark (from craigslist), or maybe it is Rupert Murdoch. It could even be you. Now is the time for experimentation lots and lots of it, and every experiment will take us one step closer to the answer we are so eager to hear (Shirky, 2009). Nothing will ever completely replace the experience we had with news on paper but over time there will be an answer as to how news is best spread according to our new needs and expectations.



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